

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01902A
Timber Knoll Homeowners Association, Inc.
dba T.K. Water Service
P.O. Box 200
Vernon, AZ 85940

RECEIVED

APR 10 2011
ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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4-26-11

COMPANY INFORMATION

TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC		
Company Name (Business Name) <u>dba T.K. WATER SERVICE</u>		
Mailing Address <u>P.O. Box 200</u>		
<u>VERNON</u> (City)	<u>AZ</u> (State)	<u>85940</u> (Zip)
<u>928-532-2970</u> Telephone No. (Include Area Code)	<u>N/A</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>N/A</u>		
Local Office Mailing Address <u>P.O. Box 200</u>		
<u>VERNON</u> (City)	<u>AZ</u> (State)	<u>85940</u> (Zip)
<u>928-532-2970</u> Local Office Telephone No. (Include Area Code)	<u>N/A</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>N/A</u>		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:		
<input checked="" type="checkbox"/> Management Contact: <u>MAX NELSON</u> <u>PRESIDENT</u>		
<u>P.O. Box 323</u> (Street)	<u>VERNON</u> (City)	<u>AZ</u> <u>85940</u> (State) (Zip)
<u>928-532-2970</u> Telephone No. (Include Area Code)	<u>N/A</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>N/A</u>		
On Site Manager: <u>MAX NELSON</u>		
<u>P.O. Box 323</u> (Street)	<u>VERNON</u> (City)	<u>AZ</u> <u>85940</u> (State) (Zip)
<u>928-532-2970</u> Telephone No. (Include Area Code)	<u>N/A</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>N/A</u>		

TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC

Statutory Agent: <u>SANDRA BRATCHER</u>			
(Name)			
<u>P.O. Box 200</u>	<u>VERMILION</u>	<u>AZ</u>	<u>85940</u>
(Street)	(City)	(State)	(Zip)
<u>928-537-7078</u>	<u>N/A</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Attorney: <u>N/A</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input checked="" type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

TIMBER KNOLL HOMEOWNERS ASSOCIATION, Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	5763	5763	0
307	Wells and Springs	4280	4280	0
311	Pumping Equipment	18223	7396	10827
320	Water Treatment Equipment	494	423	71
330	Distribution Reservoirs and Standpipes	6440	6440	0
331	Transmission and Distribution Mains	63505	44292	19213
333	Services	4041	3862	179
334	Meters and Meter Installations	3848	2612	1236
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	165	165	0
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	106759	75233	31526

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	5763		0
307	Wells and Springs	4280		0
311	Pumping Equipment	18223		751
320	Water Treatment Equipment	494		25
330	Distribution Reservoirs and Standpipes	6440		0
331	Transmission and Distribution Mains	63505		1610
333	Services	4041		12
334	Meters and Meter Installations	3848		82
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	165		0
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	106759		2480

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME *TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC*

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ <i>14506</i>	\$ <i>6926</i>
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ <i>14506</i>	\$ <i>6926</i>
	FIXED ASSETS		
101	Utility Plant in Service	\$ <i>98763</i>	\$ <i>106759</i>
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility	<i>72753</i>	<i>45233</i>
	TOTAL FIXED ASSETS	\$ <i>26010</i>	\$ <i>31526</i>
	TOTAL ASSETS	\$ <i>40516</i>	\$ <i>38452</i>

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 0	\$ 0
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	40516	38452
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 40516	\$ 38452
	TOTAL LIABILITIES AND CAPITAL	\$ 40516	\$ 38452

COMPANY NAME *TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC*

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 15709	\$ 16263
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 15709	\$ 16263
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		449
615	Purchased Power	2344	2201
618	Chemicals		
620	Repairs and Maintenance		
621	Office Supplies and Expense	983	681
630	Outside Services	9623	6950
635	Water Testing	911	4154
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	3713	2480
408	Taxes Other Than Income	1274	968
408.11	Property Taxes	422	399
409	Income Tax		45
	TOTAL OPERATING EXPENSES	\$ 19170	\$ 18327
	OPERATING INCOME/(LOSS)	\$ -3461	\$ -2064
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	-2	
	TOTAL OTHER INCOME/(EXPENSE)	\$ -2	\$ 0
	NET INCOME/(LOSS)	\$ -3463	\$ -2064

COMPANY NAME TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	<i>N/A</i>			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 0

Meter Deposits Refunded During the Test Year \$ 0

COMPANY NAME	TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-046115	5	20	640	6"	5/8 x 3/4	1962

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NONE		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
3/4	2	NONE	NONE

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10000 GAL	1	1206 AL	2

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	<i>TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC</i>
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	<i>PVC</i>	<i>3195</i>
3	<i>PVC</i>	<i>200</i>
4	<i>PVC</i>	<i>350</i>
5		
6	<i>PVC</i>	<i>5300</i>
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
<i>5/8 X 3/4</i>	<i>45</i>
<i>3/4</i>	
<i>1</i>	
<i>1 1/2</i>	
<i>2</i>	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

1) AUTOMATIC CHLORINATOR

STRUCTURES:

1) WELL HOUSE
2) PRESSURE TANK HOUSE

OTHER:

NONE

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <i>TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC</i>	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<i>47</i>	<i>263.465</i>	<i>268.000</i>	
FEBRUARY	<i>47</i>	<i>263.465</i>	<i>268.000</i>	
MARCH	<i>47</i>	<i>154.620</i>	<i>154.800</i>	
APRIL	<i>47</i>	<i>196.270</i>	<i>211.500</i>	
MAY	<i>47</i>	<i>320.116</i>	<i>322.600</i>	
JUNE	<i>48</i>	<i>435.514</i>	<i>437.000</i>	
JULY	<i>48</i>	<i>283.170</i>	<i>286.220</i>	
AUGUST	<i>49</i>	<i>239.360</i>	<i>246.870</i>	
SEPTEMBER	<i>49</i>	<i>245.687</i>	<i>246.300</i>	
OCTOBER	<i>49</i>	<i>177.383</i>	<i>183.600</i>	
NOVEMBER	<i>49</i>	<i>188.090</i>	<i>196.560</i>	
DECEMBER	<i>49</i>	<i>130.680</i>	<i>131.760</i>	
TOTALS →		<i>2,809,820</i>		<i>N/A</i>

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ Yes ☐ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: *N/A*

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: <i>TIMBER KNOLL HOMEOWNERS ASSOCIATION, INC</i>	
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	N/A	N/A	N/A
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →			

OTHER (description):

COMPANY NAME TIMBER KNOLL HOMEOWNERS ASSOC. INC. YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 399.42

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED
APR 17 2011
ACCUTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>APACHE</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>M.H. NELSON / PRESIDENT</u>
COMPANY NAME
<u>T.K. WATER SERVICE</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2010</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

M.H. Nelson
SIGNATURE OF OWNER OR OFFICIAL
(928) 532-2970
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14TH

DAY OF

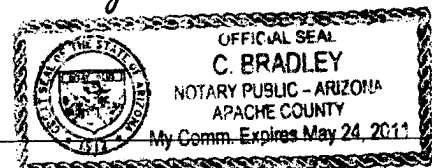
APRIL

COUNTY NAME	<u>APACHE</u>
MONTH	<u>APRIL</u>
	<u>2011</u>

(SEAL)

C. Bradley
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5/24/2011



COMPANY NAME TIMBER KNOLL HOMEOWNERS ASSOCIATION INC YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 100.00
Estimated or Actual Federal Tax Liability - 0 -

State Taxable Income Reported 100.00
Estimated or Actual State Tax Liability 45.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances - 0 -
Amount of Gross-Up Tax Collected - 0 -
Total Grossed-Up Contributions/Advances - 0 -

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

MA# Nelson
SIGNATURE

4-15-2011
DATE

MAX NELSON
PRINTED NAME

PRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED
APR 18 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>APACHE</u>
NAME (OWNER OR OFFICIAL) TITLE <u>M. H. NELSON / PRESIDENT</u>
COMPANY NAME <u>T. K. WATER SERVICE</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 16263.

(THE AMOUNT IN BOX ABOVE
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

M. H. Nelson
SIGNATURE OF OWNER OR OFFICIAL
(920) 532-2970
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14TH

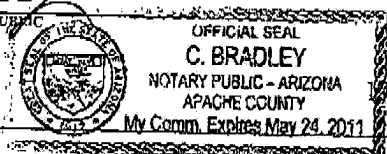
DAY OF

COUNTY NAME <u>APACHE</u>	
MONTH <u>APRIL</u>	.20 <u>11</u>

(SEAL)

MY COMMISSION EXPIRES 5/24/2011

C. Bradley
SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED
APR 18 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>APACHE</u>	
NAME (OWNER OR OFFICIAL) <u>MH NELSON</u>	TITLE <u>PRESIDENT</u>
COMPANY NAME	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2010</u>
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES <u>\$ 16263.</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

MH Nelson
SIGNATURE OF OWNER OR OFFICIAL
(928) 532-2970
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

NOTARY PUBLIC NAME <u>C. BRADLEY</u>	
COUNTY NAME <u>APACHE</u>	
MONTH <u>APRIL</u>	.20 <u>11</u>

(SEAL)

MY COMMISSION EXPIRES

5/24/2011

